

South Park Stakeholders Group – Board of Directors Meeting

Thursday, August 15, 2013, 8:30 AM

1333 S. Hope St, Los Angeles, CA 90015

Board Members: Robin Bieker, Bob Buente, David Galaviz, Shelby Jordan
Conference Call: Gary Warfel, Cliff Hoffman

Staff: Jessica Lall, Amanda Irvine

Guests: Jim Talley, Victor Moller, Mike Pietrzik, Joseph Cruz, Doyle McDonald, Officer Mike Dickes, Sandie Richards, Rob Hooks, Gerry Suenram

Consultants: Steve Hillard

MINUTES:

Chairman of the Board, Robin Bieker, called the meeting to order at 8:31 AM.

Item	Discussion	Action taken?
Public Comment	Jim Talley – Has been complaining about ICON and the issues it has caused in the neighborhood for years. The club has a lot of spillover from late night partying and drug running in the neighborhood. Many fights in that parking lot, trash left behind. What happens next to Flower St Lofts, and at 1010 is impacted by the decisions related to ICON.	No action taken
Review and approve July 3, 2013 Minutes	No comments	Bob motions to approve the July 3 Board of Directors minutes, Cliff seconds. All in favor, none opposed.
Presentation: LA Better Building Challenge	Ben Stapleton – With JLL, and LABBC. Helps run LABBC. Its about helping businesses to become more energy efficient. Program is funded by DWP and housed in Mayor's office. Federally instigated program with no federal money but with a goal of 20% reduction. In order to retain real estate value it's important to reduce energy. At 15 mill sq ft in program now. Partners from program include many commercial real estate groups. Model is to present available resources to buildings owners together and reduce the cost, offer project management support. Energy efficiency just makes sense: increase build value, return on investment, lower vacancy. Tenants are interested in it. Buildings owners should be aware that energy use is soon going to be integrated into appraisal values.	No action taken

	<p>LABBC OFFERS: utility data acquisition to track energy use, subsidized energy audits from DWP, project development support, discounts on tech, rebates with utilities. Direct access to Dept. of Build & Safety. For smaller building owners who don't have the resources or the time, this can be especially useful. Tax incentives: expiration of some are happening at the end of this year. No cost to enter the program, funded by DWP and SoCal gas. See presentation on www.southpark.la</p> <p>Rob – Can you accelerate depreciation? YES but only through the end of this year.</p>	
Presentation: Icon Night Club	<p>LAPD, Officer Michaels Dickeys, detective and vice division - Outline of the issues at stake: not asking for revocation of permits at this point. The particular hearing last week was a plan review hearing. LAPD plus City Attorney and CD 14 have asked the conditions of ICON's CUP to become more strong.</p> <p><i>History of ICON:</i> recent homicide, supposed to be operating as a restaurant when is operating as a nightclub. Believe this because it functions primarily with alcohol promotions, loud music, overcrowding, no food promotion at this location. Although ICON does offer food, its not consistent with promoting alcohol primarily. From Jan 2012- 2013 there were 157 calls for service from this particular location. April 2011 to current, over 100 crime and arrest reports at this address, 1248 Figueroa specifically, not including nearby crimes when people leave the facility. We want them to be a successful business, but they are not operating in a safe manner or one conducive to their permits.</p> <p>Bob - How does this compare with similar type operation?</p> <p><i>Other nightclubs don't have this level and volume of crime. The amount of calls and crimes at this location is materially more than others of similar nature. Plus, its supposed to be a restaurant, compared to those this even more. CD 14 has an issue with charging of cover as well.</i></p> <p><i>Conditions pursued:</i> no cover charge, no patron dancing, no happy hour, discourage bottle service (could be enforced by ABC), no arcade games, no music on roof, occupancy limits to 400 max, operations ending at midnight with roof at 10, dining tables must be set for dining during operational hours. No rooftop use, if used only for dining, monthly review for related receipts for alcohol related to food sales, better definition of outside promotion, in compliance with</p>	No action taken



	<p>buildings and safety permits, 1 year grant of review period to see if these issues will become compliant. Mandatory plan review if there is change of ownership.</p> <p>Joseph - From Pillsbury, assigned for get ICON into better compliance. In CA type 47, alcohol should be incidental to food, but if no restrictions on specific amounts, and alcohol and live acts promoted over food sales is allowed during non-normal food sale time. Whats important here is public safety and better security.</p> <p>Mike – General Manager of ICON, been there for 1 ½ years. What LAPD presents and they see are very different. They keep an internal log of calls and arrests. They have 8 calls since beginning of the year, big discrepancy from LAPD's numbers. When they began business, granted CUP with the name <i>ICON LA Ultra Lounge</i>, which ICON believes to be a go-ahead for lounge-type activities. ICON does have a patron dancing permit. Mike works directly for the landlord because business was failing previously. Stella's, newly next door, won't be able to last because when there aren't LA LIVE events they don't have attendance. Hooters only just started making a profit. Long-term on the building is to put a hotel there and purchase a city lot next door. The property owner is simply a land owner. Even if granted RFP tomorrow, 2-3 window before entitlements for a hotel. ICON's 2nd floor is 15,000 sq feet, has a dance permit, its difficult to get people to dine in there because it is dark and large. Have held many food-related events on the roof. Cocktail parties with food. Employs a full-time chef. They don't serve bottles of beer, so how could anyone get bottle to hit people at? It's a specific incident that got blown out of proportion. Mike has a 64 page operations manual for security. He noticed a lack of accountability in this industry. If someone says they don't want to press charges, there is nothing they can do about safety issues. The official report redacts the bottle hitting, but no one from LAPD has read it. He wants to know the truth and wants it to conform to the neighborhood and the uses. Mike works with EVO and City Lights. Restaurant VS nightclub: have a 47 license but has a dance permit and alcohol license as well. Runs the same business as Conga Room or Belasco. Understand that running only as a restaurant will come at a loss. Not confident that they will be profitable as a restaurant but is happy to be compliant.</p> <p>Bob – Definition of 47 is alcohol is incidental to food, is</p>	
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	<p>there a specific percentage? Joe: ABC recommends, but its sometimes unrealistic because wine is so expensive. Its really for ensuring compliance for morphing into a nightclub operation. People take "restaurant" on face value. Goal is to have an increase in food production and regular dining up.</p> <p>Bob – Mike, you had \$1.3 million in food, what was alcohol?</p> <p>Mike - Alcohol was \$3.5., but it includes venue rentals. All together 35% food, 65% alcohol.</p> <p>Joe – Have to know that other venues do special events.</p> <p>Mike – Red Cup Sundays is when they serve a lot of food.</p> <p>LAPD – They've sat as a round table before and have told LAPD they can't operate as a restaurant, period. It is a nightclub, there is no menu on the website. See what they promote, its drunk people and scantily clad women. We can't have this type of business operating outside the scope of their use. LAPD has no ill will, but invites everyone do to their own research.</p> <p>Joe – We're hoping they can work together. Previously a law enforcement officer, but won't be using that as leverage. Just wants this to be resolved with ABC, LAPD, city, etc. Obviously the business model has changed since the CUP.</p> <p>Current hours? Mike - Fri, Sat, 9pm-2am, Sunday 3pm – 9pm.</p> <p>Only open for dinner Thurs- Sun.</p> <p>Jessica – ZA has a 30 day feedback, Sam Yin would like a copy of any letters you send, and she has the address.</p> <p>Hearing date: ZA left file open for comments, hearing occurred last week on the 7th.</p>	
SECRETARY'S REPORT		
1. Remaining a 501C6	<p>A year ago, Board was considering creating a 501C3 corporation to replace the 501 C6. Established the SP Association 501C3. Subsequent to the filing in November 2012, Board has determined C3 does not provide any additional benefits to our current corporate structure and is not beneficial over a 501 C6 that we are now. Main drawback is that for C6, only corporation/business donations are tax deductible, not individual contributions. 501C3 cannot lobby on behalf of public officials. Executive committee suggests we</p>	Robin motions to approve the corporate resolution to dissolve the 501C3 South Park Association and remain the 501C6 South Park Stakeholders Group, Bob seconds. All in favor none opposed.

	dissolve the C3. Secretary has created a corporate resolution with this recommendation. Jessica – Consulted with BIDs and City. C6 will still work with the kinds of grants we are interested in.	
2. Establish Board Elections Nomination Committee	Sent out a letter to all property owners outlining the procedures and qualifications for nominating one to the Board, as well as a calendar. New Board members will be in place by year's end. Bob suggests the Board form a nominations committee to deal with elections.	Cliff motions to create a nominations committee within the current Board, Bob seconds. All in favor, none opposed.
3. Board Elections Update	Have so far had a couple of applications, many calls of interest. Please encourage those interested to nominate by September 14.	No action taken
DISI, Jessica		
1. Hiring of Linh Ho, marketing consultant for \$12,500 until end of 2013	Lihn Ho of Ideation has been coming to DISI committee meetings for 4 months. We have gone through the rebranding process, but need to take the next step in marketing the BID. She worked with Chinatown, Santa Monica, Culver City, understands BID's roles in community, has already set up meetings with Metro, LA Weekly, Yelp, and KCRW with the idea of having events sponsored by them. We need to map out a 2014 marketing strategy, sponsorship package, make sure we're using our money wisely. Not just a marketing plan for us, but to market our merchants, get spaces filled, visual ideas, how you feel when you enter South Park. Robin – She's extremely pleasant and very professional. The money we've invested in this brand. Gary – He thinks we're under budget in some of the capital, so we can make it work out. Can use it as some of the capital items from 2012 overflow. David – From USC's perspective, there are many natural connections, they want them to come to a good place like SP.	Bob motions to approve the hiring of Linh Ho for \$12,500 through the end of 2013, Robin seconds, all in favor, none opposed.
Approval of up to \$35K for ULI-TAP study for South Park	Tabled last time in order to look at other possibilities, there has not been something close enough with this price range. ULI can still get it to us by Thanksgiving.	Bob motions to approve up to \$35,000 spent on the ULI TAP study, Robin seconds, all in favor, none opposed.
Website Update	<i>Tabled</i>	
Evo Disaster Preparedness Fair, Sept. 21	Gerry – EVO Disaster Prep Party grew out of an idea of something for their building specifically. EVO board has spent \$10,000 on a disaster prep action plan – in conjunction with that, Traden Global wanted to do a street fair for the neighborhood. Many entities who wanted to participate, Red Cross, LA County Health, USC, etc. It has taken off, grown beyond what EVO Board expected. But the cost of the fair has increased. The topic and the issue have gone beyond any individual interest. It could be a CBD event as opposed to EVO. It's not something that a single building would	Bob motions that subject EVO raising \$6,000 in other funds before September 14, the CBD will contribute \$2,000 from the earthquake preparedness to be named as a sponsor, Robin seconds, all in favor, none opposed.

	<p>normally do. It's a topic many are interested, he's seeking sponsors and donations. It's a natural community building event – people are dependent on one another in disasters, so creating community to a huge part of it. We're at a growth moment. The idea behind the fair this year and in the future is that we want it to be a place where people come to confront fears on local disaster. Not as much about vendors showing supplies, as about an experience to prepare them as a group. It's going to be on a small scale this year. Essentials cost \$7,810. Down about \$6,300 on essentials, plus whatever else they can add. Hoping CBD can take it over in future years.</p> <p>Bob – Date? <i>Sept. 21, because earthquake simulator and Traden Global are available that date.</i></p> <p>Bob – This is something we need to do, great for community. But are we trying to do this too fast? We've been informed for 10 days, he'd want to speak to more experts on events like electrical and porta-potties. Suggests that Gerry move it to later in the year. Its still too high concept. Not an issue of filling the street, but there isn't the money yet for all this.</p> <p>Gary – How much are you looking for from us? We have \$2,000 allotted for earthquake preparedness, we could allot that towards this.</p> <p>Gerry – California Hospital is possibly going to be very involved with money and event-related stuff.</p> <p>Jessica – If we give \$2,000, is it contingent on you getting the rest? <i>YES, it can be.</i></p>	
2. Clean / Safe Schedule Update	<p>Steve – Has been working with Victor and LACC to create a better routes for clean team with current and new equipment. (See SOBO minutes for details). Will be able to publish to property owners when their blocks will be pressure washed.</p> <p>Start time changes for security shifts – see SOBO minutes.</p> <p>Thanks to Dennis and Steve to all the work they have done.</p>	No action taken
3. Street corner activation plan update	<p>Robin has a landscape designer, will move forward with him ASAP on materials. Having lost his windows, Victor is concerned about things being thrown into them. We'll be picking these up at night and returning them in the morning, which should reduce risk.</p>	No action taken

4. Treasurer's Report	Gary – updated assessment projections. Total projected is \$1.86, brought in \$1.6, have \$187,000 to collect, much of which is Monian. For operations, he will get with RBZ, we are staying within budget.	
5. Director Reports	N/A	No action taken
Other Business	Victor – Wondering about corner of Olympic and Flower, people mess up the trash can a lot. What can be done about that? Sandie – Get a lot of urine, animal and human. Issues with ICON, and inebriated people going to and from events. Drunk driving as an issue on Olympic and Flower as well.	No action taken
Next Meeting	Thursday, September 19 at 8:30 AM	

Robin adjourns meeting at AM 10:15 AM

NEXT STEPS:

- **Jessica will:**
 - Provide the ZA contact information for anyone wishing to write about ICON before decisions are made.
 - Move forward with dissolving the 501 C3.
 - Formally contract with Linh Ho for the remainder of 2013.
 - Formally contract with ULI for the TAP study.
 - Maintain contact with Gerry re: EVO Disaster Prep Fair and SP BID's involvement.
 - Pass along the clean and safe concerns to the correct parties.
- **Amanda will:**
 - Put the LABBC presentation on the website.
 - Continue to organize Board nominations and create Board application form to be sent out September 15.
 - Work with Linh Ho on all future marketing endeavors.
 - Create materials for ULI TAP study.
 - Move forward with ordering street furniture.

Minutes taken by Amanda Irvine, staff